

SECTION-BY-SECTION HIGHLIGHT
School Aid, SB 1069
FY 2004-05

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED
Sec. 4(4) Definitions	Definition of “General Educational Development Testing Preparation Program”.	Changes “writing skills”, and “reading skills” to “English Language Arts”.	Concurs with Governor.	Concurs with Senate.
Sec. 6(3) Pupil Retention Report	Defines the term “district and high school graduation report”.	Adds “of equal status” to the phrase “leave high school with a diploma or other credential”.	Concurs with Governor.	Concurs with Senate.
Sec. 6(4) and 6(4)(x) Pupil Membership Blend	Pupil membership count is a blend of 80% of the current fall pupil count plus 20% of the previous February’s count.	Pupil membership count is a blend of 50% of the current fall pupil count plus 50% of the previous February’s count. This change saves an estimated \$43 million.	Retains current law.	Concurs with Senate.
Sec. 6(4)(n) Counting a Pupil Membership	States that a pupil counted in membership in a PSA and also educated by a district or ISD as part of a cooperative education program shall be counted in membership only in the PSA.	Requires the applicable pupils to be counted in membership in the PSA “unless a written agreement signed by all parties designates which parties shall be counted in membership.”	Concurs with Governor.	Concurs with Senate.
Sec. 6(4)(y) Declining Enrollment	Small, rural districts may use a 3-year average membership blend if doing so results in a higher membership than the actual current year blend.	Deletes subsection.	Retains current law.	Concurs with Senate, excludes districts that receive funding under section 22D.
Sec. 6 Pupil Definition	Defines “Pupil”.	Eliminates duplication of subsections whose meanings overlap specifically related to Secs. 105 and 105c (schools of choice).	Concurs with Governor.	Concurs with Senate.

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED
Sec. 11(1) Total Appropriations	<p>School Aid Fund (SAF) FY 2004 SAF appropriation of \$10,962,387,100. (This number does not reflect the reduction of \$131 million for proration.)</p> <p>General Fund (GF/GP) FY 2004 GF/GP appropriation of \$327,700,000.</p> <p>School Aid Stabilization Fund FY 2004 appropriation of \$67,600,000 transferred from the GF/GP appropriation.</p>	<p>School Aid Fund (SAF) Revised FY 2004 SAF appropriation of \$10,911,687,100 after to proration.</p> <p>FY 2005 appropriation of \$11,033,722,200.</p> <p>General Fund (GF/GP) FY 2005 GF/GP appropriation of \$131,800,000 a decrease of \$195,900,000.</p> <p>School Aid Stabilization Fund (Sec. 11b) FY 2005 appropriation of \$5,000,000 from the \$131,800,000 GF/GP appropriation.</p>	<p>School Aid Fund (SAF) Revised FY 2004 SAF appropriation of \$10,911,687,100 after to proration.</p> <p>FY 2005 appropriation of \$11,033,722,200.</p> <p>General Fund (GF/GP) FY 2005 GF/GP appropriation of \$138,600,000 a decrease of \$189,100,000.</p> <p>School Aid Stabilization Fund (Sec. 11b) FY 2005 appropriation of \$5,000,000 transferred from the GF/GP appropriation.</p>	<p>School Aid Fund (SAF) Revised FY 2004 SAF appropriation of \$10,731,587,100 after to proration.</p> <p>FY 2005 appropriation of \$11,038,650,000.</p> <p>General Fund (GF/GP) FY 2005 GF/GP appropriation of \$137,907,700 a decrease of \$189,792,300.</p> <p>School Aid Stabilization Fund (Sec. 11b) FY 2005 appropriation of \$4,999,900 transferred from the GF/GP appropriation.</p>
Sec. 11(3) & (4) Proration Language	Proration language	Adds additional sections that would be exempt from proration; 11j (school bond loan debt service) and 26a (renaissance zone reimbursement).	Concurs with Governor and adds section 56 (special education millage equalization) as a protected section for proration.	Concurs with Senate and adds new language exempting a district with an emergency financial manager in place from any future proration.
Sec. 11f Durant Cash Payment	Appropriates \$32,000,000 for FY 2004.	FY 2005 appropriation of \$32,000,000.	Concurs with Governor.	Concurs with Senate, but creates a \$100 point of difference.
Sec. 11g Durant Bonding Payment	Appropriates \$141,000 in FY 2004 to districts to make their "Durant" bond payment.	Appropriates \$141,000 in FY 2005 (due to the refinancing of the bonds). The full payment will resume in FY 2006 at \$35,000,000. Changes the funding source from general fund to school aid fund.	Concurs with Governor for FY 2005 appropriation and out-year increase. Retains the general fund as the funding source.	Concurs with Senate, but creates a \$100 point of difference.

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED
Sec. 11j School Bond Loan Fund	FY 2004 appropriations of \$28,300,000 for debt service from the school bond loan program.	FY 2005 appropriation of \$41,100,000 due to the estimated increase in borrowing and to new schools using the school bond loan program.	Concurs with Governor.	Concurs with Senate, but creates a \$100 point of difference.
Sec. 13 Apportionments	Requires a district to count pupils and teachers pursuant to rules promulgated by the Superintendent.	Changes “teachers” to “educational personnel” and requires reports to be filed with CEPI as required by State and Federal Law.	Concurs with Governor.	Concurs with Senate.
Sec. 15 State Aid Payments	Current law requires state aid under- and over-payments to be made equally over the remainder of the payments.	Changes the requirement so the under- or over-payment is to occur in the “next” state aid payment.	Concurs with Governor.	Concurs with Senate.
Sec. 18 Financial Audits	Requires districts to report financial data to the ISD.	Requires districts to report financial data to the ISD and the Department of Education by Nov. 15.	Retains current law.	Concurs with Senate.
Sec. 19 Report Requirements	Requires districts and ISDs to comply with P.A. 25 of 1990 but only for requirements that are not required by the NCLB Act. (P.A. 25 requires an annual education report, a school improvement plan, a core curriculum plan, and an accreditation plan.)	Add new subsection requiring districts to report information related to safety practices and criminal incidents to CEPI.	Concurs with Governor.	Concurs with Senate.
	Schools that are not accredited shall have 5% of their state aid withheld.	Eliminates this subsection.	Retains current law.	Concurs with Governor.

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED
Sec. 20 Foundation Allowance Calculation	<p>(1) Foundation Allowance for FY 2004 is \$6,700.</p> <p>(5) Sets the district of residence as the foundation allowance to be used for calculations under Sec. 20.</p> <p>(13)(c) Sets the index which is used to determine the increase in the basic foundation allowance.</p> <p>(15) Intent requiring a GF/GP amount sufficient to support pupil membership growth in excess of 101% of the previous year membership.</p> <p>(20) Increases the foundation allowance of a district with a reform board in place by \$15,000,000.</p>	<p>(1) Sets the FY05 Foundation Allowance at \$6,700.</p> <p>(5) Amends the subsection so that the foundation allowance paid for pupils enrolled in a district other than their district of residence does not include the funding adjustment received under former sec. 32e (small class size grants).</p> <p>(13)(c) Sets the index at 1.00 for FY 2005, which means that the basic foundation allowance will not increase.</p> <p>(15) Eliminates the subsection.</p> <p>(20) No change.</p>	<p>Concurs with Governor.</p> <p>Concurs with Governor.</p> <p>Concurs with Governor.</p> <p>Retains current law.</p> <p>(20) Beginning in FY 2005 the foundation allowance will no longer include the adjusted per-pupil amount, eliminating the \$15,000,000 supplemental payment.</p>	<p>Concurs with Senate.</p> <p>Concurs with Senate.</p> <p>Concurs with Senate.</p> <p>Concurs with Senate.</p> <p>(20) Concurs with the Senate on the funding level and states that if a district ceases to have a reform board, the additional amount shall be removed from its foundation allowance within 60 days of the election that removed the board.</p>
NEW Sec. 20(21) Millage Override Allocation				Allocates up to \$500,000 to a district that lost a millage reduction override election in 1993 of 4.38 mills.

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NEW Sec. 20(22) Operating Millage Allocation				Allocates an amount estimated at \$700,000 to a district that levied 1.9 mills in 1993 to finance an operating deficit.
Sec. 20j Hold-Harmless Districts	Provides state funding to ensure that hold-harmless districts receive the full dollar increase in the basic foundation allowance under certain circumstances.	Reduces the foundation allowance for those districts with a foundation above \$9,000 in FY 2004 by up to \$74 per pupil. States that no district's foundation allowance may go below \$9,000. This adjustment in the calculation saves an estimated \$6.6 million.	Retains current law.	Concurs with Senate.
NEW Sec. 20L School District Consolidations	N/A	Adds a new section giving a consolidated or annexed district an additional \$25 per pupil. No consolidated or annexed district could receive more than \$500,000. Total appropriation of this section is \$1,000,000.	Not included.	Concurs with Governor with a \$100 appropriation.
Sec. 22a Proposal A Obligation Payment (The Constitutionally required portion of the foundation allowance.)	FY 2004 appropriation of \$6,765,300,000.	Reduces the FY 2004 appropriation to \$6,765,300,000 to incorporate the savings due to pupil estimates/taxable values and homestead audits. Appropriates \$6,665,000,000 for FY 2005.	Concurs with Governor. Appropriates \$6,693,000,000 for FY 2005.	Concurs with the Senate. Appropriates \$6,690,300,000 for FY 2005, which reflects a \$7,000,000 increase due to a lower estimate for revenues collected from Personal Property Tax audits, and a \$9,000,000 decrease for revised pupil counts.

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Sec. 22b(1) Discretionary Payment (The discretionary portion of the foundation allowance.)	FY 2004 appropriation of \$2,872,000,000. (4) This language requires the department to pay costs associated with resolving matters pending in federal court including expert witness fees. Sets a maximum expenditure of a \$1,000,000 from the appropriation in this section.	FY 2005 appropriation of \$2,900,000,000, an increase of \$28,000,000. (4) Strikes the language referencing the costs associated with resolving matters pending in federal court. (This language has to do with the Benton Harbor desegregation case.) Maintains the language allowing the department to pay up to \$1,000,000 in litigation costs.	Appropriates \$2,905,000,000 for FY 2005, an increase of \$33,000,000. Concurs with Governor.	Appropriates \$2,901,700,000 for FY 2005, an increase of \$29,700,000 Concurs with Senate.
NEW Sec. 22D Isolated Districts Allocation				New language that would allocate funds to small, rural and upper peninsula or island districts with fewer than 250 students and 1) with school buildings located at least 30 miles from any other school building or 2) located on an island not accessible by a bridge. The total allocation is capped at \$1,000,000.

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED
Sec. 24 Court-Placed Pupils	FY 2004 appropriation of \$8,000,000.	<p>Maintains the current law appropriation at \$8,000,000 for FY 2005.</p> <p>Eliminates the references to the Department of Consumer and Industry, as the licensing function for juvenile detention facilities was transferred to FIA.</p> <p>Removes the FY 2004 provision which stopped new facilities from being reimbursed for costs under this section.</p>	<p>Concurs with Governor.</p> <p>Concurs with Governor.</p> <p>Makes the provision permanent, however new facilities could open and receive funding with fair notice.</p>	<p>Concurs with Senate, but creates a \$100 item of difference.</p> <p>Current Law.</p> <p>Concurs with Governor.</p> <p>Amends the language to incorporate a Task Force funding recommendation to pay facilities based on a per-pupil allocation. The new language phases out the current funding method of paying facilities for their added costs of education this population to the new method over 4 years.</p>

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED
Sec. 31a At-Risk Funding/Teen Health Centers	<p>FY 2004 total appropriation of \$314,200,000.</p> <p>(6) Teen health centers are funded at \$3,743,000.</p> <p>(15) Defines “at-risk” pupil as meeting at least two criteria listed.</p>	<p>Maintains the current law appropriation level of \$314,200,000 for FY 2005.</p> <p>(6) Teen health centers funding is maintained at \$3,743,000.</p> <p>(15) Clarifies the achievement criteria by defining “moderate” as Level 2 on the MEAP and changing “reading test” to “English language arts.”</p>	<p>Reduces the appropriation by \$9,900,000 to \$304,300,000.</p> <p>Concurs with Governor.</p> <p>Concurs with Governor.</p>	<p>Retains current law appropriation of \$314,200,000. The appropriation includes a \$2,000,000 general fund transfer from the DOE budget.</p> <p>Concurs with Senate on the funding level. Adds language to require that each center have an advisory committee and that at least 1/3 of the members of the advisory committee are parents or legal guardians of school-aged children.</p> <p>Concurs with Senate.</p>
Sec. 31d(1) State School Lunch Program	<p>Appropriates \$21,300,000 in state funds and \$272,100,000 in federal funds to make payments to districts, intermediate districts, and other eligible entities for the School Lunch program for FY 2004.</p>	<p>Decreases the appropriation by \$204,900 to \$21,095,100 to reflect current estimates.</p>	<p>Concurs with Governor.</p>	<p>Concurs with Senate on state funding amount, but adds a \$100 item of difference. Appropriates \$289,000,000 in federal funds to reflect revised data from the federal government.</p>

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED
NEW Sec. 32 Project Great Start	N/A	Provides general guidelines and appropriates \$82,600,000 in school aid funds and \$450,000 in general funds for project great start programs in Secs. 32c, 32d, 32f and 32j.	Not Included.	Concurs with Senate.
Sec. 32c. Early Childhood Grants	Appropriates \$250,000 for interagency early childhood grants.	Appropriates \$250,000 for FY 2005. Also changes the "state's interagency systems reform workgroup" to the "children's action network". Requires a new report on the outcomes achieved by the program to the Governor and the Legislature.	Concurs with Governor's appropriation level but retains current law on the "reform workgroup". Also adds "to promote marriage" to the list of available uses for the grants. Concurs with Governor.	Concurs with the Senate, but adds a \$100 item of difference, but changes the "state's interagency systems reform workgroup" to the "children's action network". Concurs with Senate.
Sec. 32d School Readiness	Allocates \$72,600,000 from the School Aid Fund to operate the Michigan School Readiness Program (MSRP) and \$200,000 from the general fund to continue a longitudinal study of the MSRP. Allows funds to be used for preschool and parenting programs under former section 32b (PIE program).	Continues with the FY 2004 appropriation level of \$72,800,000 with the funding coming from Sec. 32 (Project Great Start). Strikes this reference.	Reduces appropriation by \$2,000,000 to \$70,800,000. Retains current law with funding coming from Sec. 11. Concurs with Governor.	Concurs with Senate, but creates a \$100 item of difference. Concurs with Senate.
Sec. 32f Reading Grants	Appropriates \$0 in FY 2004 for reading grants and READY kits.	Strikes all language except for the READY kit language and does not include any appropriations. Also adds a provision that the department work in collaboration with CMU to develop and disseminate the kits.	Concurs with Governor.	Concurs with Senate.

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED
Sec. 32j ISD Parent Involvement Grants	<p>Appropriates \$3,326,000 to intermediate districts for competitive grants to provide programs to parents of children age 5 or younger. ISDs can receive up to 3.5% of their FY 2003 payment under section 81.</p> <p>(3)Lists the requirements for competing for a grant including providing a plan for delivery of the program components.</p> <p>(4) Requires each ISD to have a data collection system and an evaluation tool to measure the effectiveness of the parenting programs.</p>	<p>Appropriates \$10,000,000 for FY 2005. The funding is transferred from section 81 general operations line item.</p> <p>Formally renames the program "Great Parents, Great Start".</p> <p>Adds two new purposes for these programs; encourage early literacy and reduce the need for special education services.</p> <p>(3) Requires the delivery plan to include a provision that educators trained in child development help parents understand their roll in the child's developmental process.</p> <p>(4) Removes the evaluation tool language.</p>	<p>Retains current law.</p> <p>Concurs with Governor.</p> <p>Concurs with Governor.</p> <p>Concurs with Governor.</p> <p>Concurs with Governor.</p>	<p>Allocates \$3,326,000 from the appropriation in Sec. 81. (ISD Operations.) Requires ISDs to submit a program plan instead of a grant application. (Sec. 81 is revised to make funding contingent upon providing Sec. 32j programs.) Allows private or local funds to be used to meet the 3.5% minimum spending requirement.</p> <p>Concurs with Senate.</p> <p>Concurs with Senate.</p> <p>Concurs with Senate, but adds language that the delivery plan must also include a provision to "promote marriage."</p> <p>Concurs with Senate.</p>

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED
NEW Sec. 32k. Before-and After-School Programs				Appropriates \$0 to institute a statewide before- and after-school program, whereby the Department would work with the Family Independence Agency to award competitive grants.
Sec. 37. School Readiness Teacher Qualifications	For a School Readiness program that subcontracts with a program provider, the teachers employed by that provider must possess a valid teacher certificate plus a child development associate credential (CDA) or an early childhood (ZA) endorsement.	Current law.	Concurs with Governor.	States that School Readiness teachers employed by subcontractors may instead have a bachelor's degree in child care or child development, or a CDA combined with an Associate's degree in early childhood education.
Sec. 39a Federal Funds	(1) FY 2004 appropriations of \$665,458,500 in federal funds from the "No Child Left Behind" (NCLB) Act. (2) and \$5,421,800 in other federal funds for education.	(1) FY 2005 appropriations of \$664,225,900 in federal "No Child Left Behind" funds (2) and \$4,821,800 in other federal funds for education.	Concurs with Governor on all federal NCLB appropriations. Adds language allowing for \$25,000 of the 21 st Century Community Learning grants to be used for the Michigan After-School Partnership. Concurs with Governor.	Appropriates \$637,809,700 to reflect revised data from the federal government. Concurs with Senate. Appropriates \$5,427,500 to reflect revised data.
Sec. 41 & 41a Bilingual Education	FY 2004 appropriations of \$2,800,000 in state funds and \$1,232,100 in federal funds.	No recommended changes to appropriations in FY 2005.	Concurs with Governor.	Concurs with Senate, but creates \$100 items of difference.
Sec. 51a(1) Special Education Funding	Allocates \$882,683,000 from state sources and \$345,500,000 in federal funding for special education programs.	FY 2005 appropriations of \$906,283,000 and estimated federal funds of \$345,350,000.	FY 2005 Appropriations of \$906,483,000 and concurs with Governor on federal funds amount.	FY 2005 appropriations of \$906,183,000 from state sources and \$394,850,000 from federal sources to reflect revised data.

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED
Sec. 51c Special Education Durant Payment	FY 2004 appropriation of \$644,400,000 to provide funding for costs associated with Durant settlement that guarantees districts 28.6138% of total approved costs of special education services and 70.4164% of total approved costs of special education transportation.	FY 2005 appropriations of \$658,600,000, an increase of \$14,300,000.	FY 2005 appropriation of \$658,700,000, an increase of \$14,400,000.	FY 2005 appropriation of \$659,300,000, an increase of \$14,900,000
Sec. 56 Special Education Millage Equalization	FY 2004 appropriation of \$36,881,100 for millage equalization. FY 2004 per pupil equalization dollar amount at \$132,275.	Maintains the FY 2004 appropriation level of \$36,881,100. FY 2005 per pupil equalization dollar amount at \$133,400.	Concurs with Governor.	Concurs with Senate, but creates a \$100 item of difference.
Sec. 57 Advanced and Accelerated Programs	Appropriates \$250,000 in FY 2004 to districts and ISDs for the education of advanced and accelerated students.	Maintains the FY 2004 appropriation level of \$250,000 for FY 2005.	Concurs with Governor.	Concurs with Senate, but creates a \$100 item of difference.
Sec. 61a Vocational Education	Appropriates \$30,000,000 for FY 2004 to support vocational education programs.	Maintains the FY 2004 appropriation level of \$30,000,000 for FY 2005.	Reduces the FY 2004 appropriation by \$2,000,000 to \$28,000,000 for FY 2005.	Concurs with Senate, but creates a \$100 item of difference.

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED
NEW Sec. 61B Learn to Earn Centers	N/A	<p>Appropriates \$1,000,000 for FY 2005 for planning grants to operate "Learn to Earn" centers through ISDs or consortiums of ISDs. Funding would be transferred from Sec. 81 (ISD general operations).</p> <p>ISDs or consortiums would be eligible for planning grants of up to \$100,000 and must provide a 100% local match.</p> <p>The centers would target students' age 15-20 that have dropped out of school. The focus of the centers is a comprehensive career preparation system.</p>	Not included.	Concurs with Senate.
Sec. 62 Vocational Ed. Millage Equalization	<p>FY 2004 appropriation is \$9,000,000.</p> <p>FY 2004 per pupil amount is \$137,700.</p>	<p>FY 2005 appropriation is \$9,000,000.</p> <p>FY 2005 per pupil amount is \$142,200.</p>	Concurs with Governor.	Concurs with Senate, but creates a \$100 item of difference.
Sec. 74 Bus Driver Safety	FY 2004 appropriation is \$1,625,000.	FY 2005 appropriation is \$1,625,000.	Concurs with Governor.	Concurs with Senate, but creates a \$100 item of difference.

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED
Sec. 81(1) ISD General Operations Funding	<p>FY 2004 appropriation is \$91,702,100.</p> <p>FY 2004 is 96.5% of the appropriated amount in FY 2003.</p>	<p>FY 2005 appropriation is \$84,028,100, a reduction of \$7,674,000, of which \$6,674,000 would be transferred to Sec. 32j (Great Parents, Great Start) and \$1,000,000 to Sec. 61b (Learn to Earn Centers).</p> <p>FY 2005 is 88.4% of the appropriated amount in FY 2003.</p>	<p>Reduces the appropriation by \$12,500,000 to \$79,202,100. (Does not transfer any of these funds to Sec. 32j or Sec. 61b.)</p> <p>FY 2005 is 83.3% of the appropriated amount in FY 2003.</p>	<p>Appropriates \$83,028,100 and requires ISDs to operate the parenting program described in Sec. 32j at the same funding level as FY 2004 in order to receive funding under this section.</p> <p>New Allocates \$100,000 from the total appropriation for a pilot cooperative purchasing program.</p> <p>FY 2005 is 87.4% of the appropriated amount in FY 2003.</p>

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED
Sec. 94a Center for Educational Performance and Information (CEPI)	<p>Appropriates general funds of \$4,500,000 in FY 2004.</p> <p>Appropriates \$2,357,600 in FY 2004 from federal funds.</p>	<p>Appropriates general funds of \$1,500,000 in FY 2005.</p> <p>Appropriates \$2,046,300 in FY 2005 from federal funds.</p> <p>The executive recommends deleting the following; language that required CEPI to pay ISDs for implementation of data collection, removing dual submission language, and eliminating the requirement that CEPI submit proposals for new electronic data collection system at least 30 days prior to implementation.</p>	<p>Concurs with Governor.</p> <p>Concurs with Governor.</p> <p>Add new subsection: Requires that by Jan. 1, 2005 CEPI provide and make available through a public website info previously provided by Standard & Poor's.</p> <p>Concurs with Governor.</p>	<p>Concurs with Senate, but creates a \$100 item of difference.</p> <p>Concurs with Senate.</p> <p>Does not include.</p> <p>Concurs with Senate.</p>
Sec. 98 Michigan Virtual University (MVU)	<p>Appropriates \$750,000 to MVU in FY 2004 for operations of the Virtual High School.</p> <p>Appropriates \$2,250,000 in federal funds.</p>	<p>Maintains the FY 2004 appropriation level of \$750,000 for FY 2005.</p> <p>Maintains the FY 2004 appropriation level of \$2,250,000 for FY 2005.</p>	<p>Concurs with Governor.</p> <p>Concurs with Governor.</p>	<p>Concurs with Senate, but creates \$100 items of difference.</p> <p>Concurs with Senate.</p>

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED
Sec. 98b Freedom to Learn Program	<p>FY 2004 appropriations of \$22,000,000 from the School Aid Stabilization Fund and \$17,343,200 in federal funds.</p> <p>(3) Set the amount of FTL grants at \$250.00 per pupil.</p> <p>(10) Legislative intent stating that all plans or applications submitted by the state to the U.S. Department of Education relating to the distribution of federal education technology funds be for the purposes stated in this section.</p> <p>(12) Allocates \$4 million for professional development.</p> <p>(13) Encourages MVU to work with Ferris State Univ. on professional development issues.</p> <p>(15) Legislative intent requiring the State to seek private funds for the current and future funding of this program.</p>	<p>FY 2005 appropriations of \$5,000,000 from the School Aid Stabilization Fund and \$17,343,200 in federal funds.</p> <p>Current law.</p> <p>Eliminates this intent language.</p> <p>Current law.</p> <p>Eliminates this intent language.</p> <p>Eliminates this intent language.</p>	<p>Concurs with Governor on dollar appropriations. Limits the maximum amount any district can receive to 25% of the available funds.</p> <p>Current law.</p> <p>Retains current law.</p> <p>Current law.</p> <p>Retains current law.</p> <p>Retains current law.</p>	<p>Concurs with Senate, with a \$100 item of difference and makes technical changes. Excludes 25% limit for a single district. Gives state funding priority to districts that were Program Application Sights in FY 2003.</p> <p>Allows 6th grade students and teachers to receive the grants.</p> <p>Concurs with Senate.</p> <p>Allocates \$2.7 million for professional development and names Ferris State University as the entity to develop an on-line assessment.</p> <p>Concurs with Senate.</p> <p>Concurs with Senate.</p>

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED
Sec. 99 Math and Science Centers	FY 2004 state appropriations of \$2,500,000 and \$2,487,700 in federal funds for the funding of 33 math and science centers through out the state.	Maintains the FY 2004 appropriation level of \$2,500,000 in school aid funds and \$2,487,700 in federal funds. New provision to allow any funding from a center that declines funding to be redistributed to the remaining centers.	Concurs with Governor. Revises the new provision to allow any funding from a center that declines funding or "closes" to be redistributed to the remaining centers.	Concurs with Senate on state funding, but creates a \$100 item of difference. Appropriates \$3,581,300 in federal funds. Concurs with Senate.

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED
Sec. 101 Reporting of Days and Hours of Instruction	<p>Reports pertaining to pupil counts and to the number of instructional days and hours provided by schools are submitted to the Department of Education.</p> <p>(9) Allows the superintendent to waive for a district the minimum number of hours of pupil instruction for a department-approved alternative education program.</p> <p>(10) Current law allows 51 hours of professional development to be counted as hours of pupil instruction.</p>	<p>(1) Adds CEPI as a recipient of data.</p> <p>(4) Removes old “storm days” language.</p> <p>(9) Adds new language stating that the number of hours (in the alternative education program) must be equal to at least 80% of the required minimum number of hours of pupil instruction to be considered a full-time pupil.</p> <p>(10) Adds language that states that the professional development must focus on achieving or improving AYP as defined in the NCLB Act to be counted as hours of pupil instruction.</p>	<p>(1) Concurs with Governor.</p> <p>(4) Adds a provision for 2003-04 school year only that allows an additional 20 hours to be counted as hours of instruction in a district with structural roof and truss damage. Starting in 2004-05 school year an additional 30 hours can be counted as hours of instruction if there are “extenuating circumstances” that occur after April 1st of the year.</p> <p>(9) Retains current law.</p> <p>(10) Concurs with Governor and expands the provision to require the 51 hours to also be used for accreditation purposes, achieving highly qualified status under NCLB, and maintaining teacher certification.</p>	<p>Concurs with Senate.</p> <p>Does not include the language counting an additional 30 hours for “extenuating circumstances”.</p> <p>Adds utility power unavailability, water and sewer failure as qualifications under the current 30 hour exemption.</p> <p>Concurs with Senate.</p> <p>Concurs with Senate.</p>

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED
Sec. 104a High School Assessments	Includes provisions relating to the Michigan Educational Assessment Program (MEAP) for high school pupils	<p>Removes communications skills as a subject area to be tested by MEAP and replaces it with English language arts.</p> <p>Changes all references to the Department of Treasury to the Department (of Education), since the program was transferred through Executive Order to the Department of Education.</p> <p>Eliminates all language and references to the Michigan Assessment Governing Board. The Board was eliminated under EO 2003-20.</p>	Concurs with Governor.	Concurs with Senate.

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED
Sec. 107 Adult Education Appropriation	<p>Appropriates \$20,000,000 in school aid funds for Adult Education programs for FY 2004.</p> <p>(3)(a) Maximum amount is 26.67% of the funding received in FY 2002.</p> <p>(11) Current funding for recipients is 90% for enrollment and 10% for completion.</p>	<p>FY 2005 appropriations of \$20,000,000.</p> <p>(3)(a) Maximum amount is equivalent to the funding received in FY 2004.</p> <p>New subsection (10) lists the requirements that funding recipients must meet in order to receive funding; a) be part of a adult education strategic plan; b) develop individual adult education plans; c) use research-based instructional practices and technology; d) coordinate with other available resources in the community; e) offer job and postsecondary counseling services; f) report participant outcomes to DLEG.</p> <p>(11) Changes recipients funding to 80% for enrollment and 20% for completion.</p> <p>Defines strategic plan and Workforce Development Board.</p> <p>Changes all references to the Department of Career Development to the Department of Labor and Economic Growth.</p>	<p>Concurs with Governor.</p> <p>Concurs with Governor.</p> <p>Not included.</p> <p>Concurs with Governor.</p> <p>Not included.</p> <p>Concurs with Governor.</p>	<p>Concurs with Senate, but creates a \$100 item of difference.</p> <p>Concurs with Senate.</p> <p>Concurs with Governor.</p> <p>Retains current law.</p> <p>Defines Workforce Development Board only.</p> <p>Concurs with Senate.</p>

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED
NEW Sec. 107b Pilot Adult Learning Program	N/A	<p>Creates two new pilot adult learning programs in two Michigan Works! regions for FY 2005.</p> <p>The two Michigan Works! agencies shall award competitive grants to adult learning providers in their region.</p> <p>Funding for these pilots are in Sec.107 and the districts that are within the pilot regions would have to compete for funding against all other eligible entities instead of getting their funding directly under Sec. 107.</p> <p>Not more than 5% of the grant awarded to Michigan Works! agency may be used for program administration.</p>	<p>Not included.</p> <p>Not included.</p> <p>Not included.</p> <p>Not included.</p>	<p>Concurs with Governor, but creates only one pilot adult learning program (assumed to be the <i>Capitol Area Michigan Works!</i> program.)</p> <p>Concurs with Governor.</p> <p>Concurs with Governor.</p> <p>Concurs with Governor.</p>

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED
NEW Sec. 146 Health Benefits Feasibility Study	N/A	N/A	New language requiring the Department, the State Budget Director, and the House and Senate Fiscal Agencies to jointly conduct a feasibility study. The study will determine if there are cost savings to districts, ISDs, community colleges, and state universities for implementing a statewide purchasing pool for employee health benefits or including these employees in the state employee group health plans.	Replaces the Department with the Office of Financial and Insurance Services as a participant in the study.
Sec. 147 Public School Employees' Retirement Rate	Estimates the FY 2004 rate to be 14.37%, but states that it will instead be 12.99% if all of the districts participating in the School Bond Loan Authority assist the state treasurer in refinancing School Bond Loan debt.	Estimates the FY 2005 rate to be 14.87%. Removes the School Bond Loan refinancing language.	Concurs with Governor. Concurs with Governor.	Concurs with Senate. Concurs with Senate.
Sec. 152. Reporting Requirements	Requires certain reports to be furnished to the Department of Education in order to receive state funds.	Adds CEPI as a recipient of the reports as applicable.	Concurs with Governor, and adds that reports shall not be furnished to both CEPI and DOE.	Concurs with Senate.
Sec. 158b. Federal Impact Aid Reporting Requirement	Districts receiving Federal Title I funds must report the amount of aid they received to the Department of Education.	Changes the reporting to CEPI instead of the Department of Education.	Concurs with Governor.	Concurs with Senate.
Sec. 163 Local or ISD Board Requirements	Requires school boards and ISD boards to use certified teachers and counselors as provided in the school code, except as otherwise provided in Sec. 108 of the school aid act.	Changes the reference to section 107b in the school aid act.	Retains current law.	Concurs with Governor.

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED
Sec. 166a Sex Education Instruction	Provides that districts must follow various sections of the school code pertaining to sex education in order to avoid state aid penalty.	No change recommended.	Language is added to clarify that sex education instruction includes age-appropriate information.	Revises to reflect language in SB 944.
Enacting Sec. 2(1) Sections Repealed Upon Enactment		Repeals the following sections as of October 1, 2004: Sec. 8a (K-3 average class report), Sec. 11c (school aid stabilization fund), Sec. 31e (school breakfast), Sec. 32b (ASAP-PIE), Sec. 68 (Career Preparation), Sec 107a (Adult education blue ribbon study committee), Sec. 108 (Partnership for Adult Learning), Sec. 166 (forfeiture of 5% of total state aid for distributing family planning drugs or makes referrals for abortions.)	Concurs with Governor but retains sections 8a and 166.	Concurs with Senate.
Various Sections throughout the Act.		Changes references from FY 2003-04 to FY 2004-05 throughout the bill. Changes references to Department of Career Development to Department of Labor and Economic Growth.	Concurs with Governor.	Concurs with Senate.